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SECURITIES AND EXCHANGE COMMISSION

Washington, D.C. 20549

82-2241

FORM 10-Q

(Mark One)

(X) QUARTERLY REPORT PURSUANT TO SECTION 13 OR 15(d) OF THE SECURITIES EXCHANGE ACT OF 1934

For the quarterly period ended June 28, 1992

OR

( ) TRANSITION REPORT PURSUANT TO SECTION 13 OR 15(d) OF THE SECURITIES EXCHANGE ACT OF 1934

For the transition period from _____ to _____

Commission file number : 0-12695

INTEGRATED DEVICE TECHNOLOGY, INC.
(Exact name of registrant as specified it its charter)

Delaware	**94-2669985**
(State or other jurisdiction of incorporation or organization)	(I.R.S. Employer Identification No.)

2975 Stender Way, Santa Clara, California 95054
(Address of principal executive offices) (Zip Code)

Registrant's telephone number, including area code
(408) 727-6116

NONE

(Former name, former address and former fiscal year, if changed since last report)

Indicate by check mark whether the registrant (1) has filed all reports required to be filed by Section 13 or 15(d) of the Securities Exchange Act of 1934 during the preceding 12 months (or for such shorter period that the registrant was required to file such reports) ; and (2) has been subject to such filing requirements for the past 90 days.

Yes X No ___

The number of outstanding shares of the registrant's Common Stock, $.001 par value, as of July 26, 1992 was
27,731,888

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PART I. FINANCIAL INFORMATION

Item 1. Financial Statements

INTEGRATED DEVICE TECHNOLOGY, INC.

CONDENSED CONSOLIDATED STATEMENTS OF OPERATIONS

(In thousands, except per share data)

	Quarter Ended June 28, 1992 (Unaudited)	Quarter Ended June 30, 1991 (Unaudited)
Revenues	$53,758	$52,281
Cost of revenues	30,392	27,806
Gross profit	23,366	24,475
Operating expenses:		
Research and development	11,833	12,488
Selling, general and administrative	9,636	10,491
Total operating expenses	21,469	22,979
Operating income	1,897	1,496
Interest expense	(1,500)	(1,822)
Interest income and other, net	197	696
Income before provision for income taxes	594	370
Provision for income taxes	119	92
Net income	$475	$278
Net income per share	$ .02	$ .01
Shares used in computing net income per share	27,714	27,606

The accompanying notes are an integral part of these financial statements.

INTEGRATED DEVICE TECHNOLOGY, INC.

CONDENSED CONSOLIDATED BALANCE SHEETS

(In thousands, except share data)

	June 28, 1992	March 29, 1992
	(Unaudited)	
ASSETS		
Current assets:		
Cash and cash equivalents	$20,403	$20,026
Short-term investments	0	1,060
Accounts receivable, net	37,653	36,281
Inventory (Note 2)	28,996	28,088
Prepaid income taxes	25,380	25,480
Prepayments and other current assets	3,029	2,714
Total current assets	115,461	113,649
Property, plant and equipment, net	121,996	126,801
Other assets	3,108	1,377
Total assets	$240,565	$241,827
LIABILITIES AND SHAREHOLDERS' EQUITY		
Current liabilities:		
Accounts payable	$15,277	$16,623
Accrued compensation and related expense	5,437	4,241
Deferred sales to distributors	15,256	14,052
Income taxes payable	917	983
Other accrued liabilities	6,742	9,764
Current portion of long term obligations	20,203	19,585
Total current liabilities	63,832	65,248
Long term obligations	41,318	46,515
Deferred income taxes	13,705	13,705
Minority interest in subsidiary	506	506
Commitments and contingencies		
Shareholders' equity :		
Preferred stock; $.001 par value: 5,000,000 shares authorized; no shares issued		
Common stock; $.001 par value: 65,000,000 shares authorized; 27,638,624 and 26,553,731 shares issued and outstanding	28	27
Additional paid-in capital	90,873	86,074
Retained earnings	30,742	30,267
Cumulative translation adjustment	(34)	(110)
	121,609	116,258
Treasury stock; 43,154 shares at cost	(405)	(405)
Total shareholders' equity	121,204	115,853
Total liabilities and shareholders' equity	$240,565	$241,827

The accompanying notes are an integral part of these financial statements.

INTEGRATED DEVICE TECHNOLOGY, INC.

CONDENSED CONSOLIDATED STATEMENTS OF CASH FLOWS

(In thousands)

Increase (decrease) in cash (In thousands)	Quarter Ended June 28, 1992 (Unaudited)	Quarter Ended June 30, 1991 (Unaudited)
Operating activities:		
Net income	$475	$278
Adjustments:		
Depreciation and amortization	9,083	8,651
Gain on sale of equipment	(4)	(203)
Provision for losses on accounts receivable	255	14
Changes in assets and liabilities:		
Accounts receivable, gross	(1,627)	(803)
Inventory	(908)	(1,122)
Prepaid income taxes	100	1,116
Other assets	(674)	1,083
Accounts payable	(1,346)	(1,565)
Accrued compensation and related expense	1,196	1,686
Deferred sales to distributors	1,204	432
Income taxes payable	(66)	96
Other accrued liabilities	(946)	209
Net cash provided by operating activities	6,742	9,872
Investing activities:		
Additions to property, plant and equipment	(4,154)	(6,403)
Proceeds from sale of equipment	8	410
Purchases of short-term investments	(1,003)	(1,854)
Proceeds from sales of short-term investments	2,063	1,984
Net cash used for investing activities	(3,086)	(5,863)
Financing activities:		
Issuance of common stock, net	300	791
Proceeds from borrowings	7,233	2,902
Payment on capital leases and other debt	(10,812)	(5,052)
Net cash used for financing activities	(3,279)	(1,359)
Net increase in cash and cash equivalents	377	2,650
Cash and cash equivalents at beginning of period	20,026	11,639
Cash and cash equivalents at end of period	$20,403	$14,289
Supplemental disclosure of cash flow information:		
Interest paid	$1,660	$1,783
Income taxes paid (refunded)	$1	(1,120)

The accompanying notes are an integral part of these financial statements.

INTEGRATED DEVICE TECHNOLOGY, INC.

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

1. In the opinion of management, the accompanying condensed unaudited consolidated financial statements contain all adjustments necessary to present fairly the consolidated financial position of Integrated Device Technology, Inc. and its subsidiaries and the consolidated results of their operations and their cash flows. The results of operations for the three month period ended June 28, 1992 are not necessarily indicative of the results to be expected for the year ending March 28, 1993.

   This report on Form 10-Q for the quarter ended June 28, 1992 should be read in conjunction with the Company's Annual Report to Stockholders and/or Annual Report on Form 10-K for the year ended March 29, 1992.

2. Inventories consist of the following (in thousands):

	June 28, 1992	March 29, 1992
	(unaudited)	
Raw materials	$ 3,264	$ 3,154
Work-in-process	8,688	10,002
Finished goods	17,044	14,932
	$ 28,996	$ 28,088

3. The provision for income taxes reflects the estimated annualized effective tax rate applied to earnings for the interim period.

4. Net income per share is based on the weighted average number of shares of common stock and common stock equivalents outstanding, if dilutive. Primary and fully diluted earnings per share are the same.

5. In connection with the settlement of litigation, restricted shares were issued by the Company in the first quarter.

Item 2. Management's Discussion and Analysis of Financial Condition and Results of Operations

RESULTS OF OPERATIONS

Net revenues for the first quarter of fiscal year 1993 were $53,758,000, a 3% increase over the $52,281,000 reported in the first quarter of fiscal 1992 and a 5% increase over the immediately preceding quarter. This increase was due primarily to increased SRAM product sales. However, continued price erosion in SRAMs has led to gross margin deterioration compared to the same period a year ago.

Gross profit, as a percentage of net revenues, decreased from 46% in the first quarter of fiscal 1992 to 43% in the first quarter of fiscal 1993. The reduced gross profit percentage can be attributed to very competitive pricing in both 64K and 256K SRAMs. Additionally, more of the San Jose wafer fabrication capacity was consumed by manufacturing activities, causing an increase in cost of revenues with a counter balancing reduction in R&D costs. Improvement in gross profit will largely depend on the timely introduction of new products, which are expected to attract higher selling prices, and the greater utilization of the San Jose wafer fabrication plant. The Company believes that several key pieces of equipment, scheduled to be delivered over the next 60 to 90 days, will enable IDT to boost its output significantly.

Research and development (R&D) expenses were 5% lower than the same period a year ago and were reduced from 24% of revenues to 22% of revenues. This decrease can be attributed to a shift in the use of IDT's San Jose wafer fabrication line to increased manufacturing activities compared to the year ago period and certain cost control programs implemented in the second half of fiscal 1992. The Company expects R&D expenses to be marginally lower than fiscal 1992 expenditures for the remainder of fiscal 1993.

Selling, general and administrative (SG&A) expenses decreased in absolute dollars and as a percentage of net revenues from 20% in the first quarter of fiscal 1992 to 18% in the first quarter of fiscal 1993. This decrease is primarily attributable to continued cost containment efforts and improved productivity and efficiency resulting from the Company's restructuring.

Interest expense decreased 18% for the quarter when compared to the same quarter a year ago as a result of the reduced debt balances.

Interest income and other, net, was $197,000 in the first quarter of fiscal 1993, down from $696,000 in the same quarter of fiscal 1992. Interest income decreased primarily because of lower rates of return on interest-earning investments and lower cash and cash investment balances. In addition, IDT recognized a $203,000 non-recurring gain on disposal of capital equipment in the first quarter a year

ago. The Company expects interest income and other, net, to be lower than fiscal 1992 for the remainder of fiscal 1993.

LIQUIDITY AND CAPITAL RESOURCES

During the first quarter of fiscal 1993, $6.7 million of funds were provided by operations. Investments in capital equipment consumed approximately $4.2 million. IDT drew down $7.2 million against the Malaysian line of credit, while paying down $6.6 million of this line and $4.2 of previously existing asset secured debt.

At June 28, 1992, IDT had approximately $20.4 million in cash and cash equivalents. Capital expenditures for the remainder of fiscal 1993 are projected at $21.8 million. These capital expenditures will be funded by a combination of cash flow from operations, cash balances and equipment financings agreement. In July 1992, IDT entered into an $8 million equipment leasing agreement to acquire capital equipment for futher expansion of wafer fabrication capacity. In addition, the Company has also obtained an additional asset secured financing agreement for $3 million.

PART II OTHER INFORMATION

Item 1. Legal Proceedings

The description of the Texas Instruments litigation contained in Part I, Item 3 of the Company's Annual Report on Form 10K for the year ended March 29, 1992 is updated as follows:

Trial had been scheduled for early July. However, due to bifurcation of some of the issues of the case, the trial was postponed. A new trial date has not yet been set.

Item 6. Exhibits and Reports on Form 8-K

(a) Exhibit 19.1. Patent License Agreement dated May 1, 1992 between the Company and American Telephone and Telegraph Company. (Confidential Treatment Requested)

(b) No reports on Form 8-K were filed during the quarter for which this Report on Form 10Q is filed.

SIGNATURES

Pursuant to the requirements of the Securities Exchange Act of 1934, the registrant has duly caused this report to be signed on its behalf by the undersigned thereunto duly authorized.

INTEGRATED DEVICE TECHNOLOGY, INC.

Date: August 10, 1992 /s/ Leonard C. Perham

Leonard C. Perham
Chief Executive Officer

Date: August 10, 1992 /s/ William D. Snyder

William D. Snyder
Vice President Finance (principal financial and accounting officer)